



NEWS RELEASE

DEFENSE FINANCE AND ACCOUNTING SERVICE

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Military Retirees and Annuitants Give DFAS Higher Grade on Customer Service

WASHINGTON, DC (March 5) – A recent survey of military retirees and annuitants gives the Defense Finance and Accounting Service higher grades on overall quality and customer service on the pay services that DFAS provides when compared to previous year's results.

The results of the survey allow DFAS Retired and Annuitant Pay to be compared to other federal agencies and private companies through the American Customer Service Index. On that index DFAS Retired and Annuitant Pay Services scored an 81 which exceeds the 2002 national financial service industry average of 73.8 and the 2002 federal government average of 70.2 (see <http://www.theacsi.org>). This score places DFAS' retired and annuitant pay services in the top three of all federal organizations reported by the America Customer Service Index. Both military retiree and annuitant customers gave overall quality a score of 91 percent. These results show an increase up to 8 percent on all dimensions of retired pay and increases of up to 3 percent for annuitant pay over last year.

"DFAS people and our contract service providers are dedicated to providing world-class customer service," said Thomas R. Bloom, director of DFAS. "We continue to look for ways to improve the products and service we provide our 5.7 million customers who include members of America's military, Defense Department civilian employees, and military retirees and annuitants. While continually improving products and services, our team has been able to make finance and accounting more affordable for the Department of Defense and American taxpayers by reducing overall costs to our customers by more than \$144 million in 2002 alone."

In January 2002, ACS Government Service began contract operations of retired and annuitant pay services for DFAS as part of the Defense Department's competitive sourcing initiative.

The survey, conducted in December 2002 and January 2003, used an industry-standard model developed by the Office of Personnel Management to gather feedback from more than 1,000 customers. The customer responses graded nine factors used to assess the performance of services provided to America's military retirees and annuitants. The factors included the physical products delivered, overall quality, timeliness, courtesy, reliability, knowledge, customer choice, access and recovery.

About DFAS

The Defense Finance and Accounting Service is the world's largest finance and accounting operation. In fiscal 2002, DFAS paid 5.7 million people, processed more than 11.2 million contractor invoices, made 7.3 million travel payments and disbursed more than \$346.6 billion while reducing overall costs to customers by \$144 million. For more about the Defense Finance and Accounting Service, please visit <http://www.dfas.mil>.